



DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

42 CFR Parts 405, 412, 413, 417, 476, 480, 484, and 495

[CMS-1735-CN]

RIN 0938-AU11

Medicare Program; Hospital Inpatient Prospective Payment Systems for Acute Care Hospitals and the Long-Term Care Hospital Prospective Payment System and Final Policy Changes and Fiscal Year 2021 Rates; Quality Reporting and Medicare and Medicaid Promoting Interoperability Programs Requirements for Eligible Hospitals and Critical Access Hospitals; Correction

AGENCY: Centers for Medicare & Medicaid Services (CMS), Health and Human Services (HHS).

ACTION: Final rule; correction.

SUMMARY: This document corrects technical and typographical errors in the final rule that appeared in the September 18, 2020 issue of the **Federal Register** titled “Medicare Program; Hospital Inpatient Prospective Payment Systems for Acute Care Hospitals and the Long-Term Care Hospital Prospective Payment System and Final Policy Changes and Fiscal Year 2021 Rates; Quality Reporting and Medicare and Medicaid Promoting Interoperability Programs Requirements for Eligible Hospitals and Critical Access Hospitals”.

DATES: Effective Date: This correcting document is effective on [insert date of filing for public inspection at the Office of the Federal Register].

Applicability Date: The corrections in this correcting document are applicable to discharges occurring on or after October 1, 2020.

FOR FURTHER INFORMATION CONTACT: Donald Thompson and Michele Hudson,
(410) 786-4487.

SUPPLEMENTARY INFORMATION:

I. Background

In FR Doc. 2020-19637 of September 18, 2020 (85 FR 58432) there were a number of technical and typographical errors that are identified and corrected in the Correction of Errors section of this correcting document. The corrections in this correcting document are applicable to discharges occurring on or after October 1, 2020, as if they had been included in the document that appeared in the September 18, 2020 **Federal Register**.

II. Summary of Errors

A. Summary of Errors in the Preamble

On the following pages: 58435 through 58436, 58448, 58451, 58453, 58459, 58464, 58471, 58479, 58487, 58495, 58506, 58509, 58520, 58529, 58531 through 58532, 58537, 58540 through 58541, 58553 through 58556, 58559 through 58560, 58580 through 58583, 58585 through 58588, 58596, 58599, 58603 through 58604, 58606 through 58607, 58610, 58719, 58734, 58736 through 58737, 58739, 58741, 58842, 58876, 58893, and 58898 through 58900, we are correcting inadvertent typographical errors in the internal section references.

On page 58596, we are correcting an inadvertent typographical error in the date of the MedPAR data used for developing the Medicare Severity Diagnosis-Related Group (MS-DRG) relative weights.

On pages 58716 and 58717, we are correcting inadvertent errors in the ICD-10-PCS procedure codes describing the BAROSTIM NEO® System technology.

On pages 58721 and 58723, we are correcting inadvertent errors in the ICD-10-PCS procedure codes describing the Cefiderocol technology.

On page 58768, due to a conforming change to the Rural Floor Budget Neutrality adjustment (listed in the table titled “Summary of FY 2021 Budget Neutrality Factors” on page 59034) as discussed in section II.B. of this correcting document and the conforming changes to the Out-Migration Adjustment discussed in section II. D of this correcting document (with regard to Table 4A), we are correcting the 25th percentile wage index value across all hospitals.

On page 59006, in the discussion of Medicare bad debt policy, we are correcting inadvertent errors in the regulatory citations and descriptions.

B. Summary of Errors in the Addendum

On pages 59031 and 59037, we are correcting inadvertent typographical errors in the internal section references.

We are correcting an error in the version 38 ICD-10 MS-DRG assignment for some cases in the historical claims data in the FY 2019 MedPAR files used in the ratesetting for the FY 2021 IPPS/LTCH PPS final rule, which resulted in inadvertent errors in the MS-DRG relative weights (and associated average length-of-stay (LOS)). Additionally, the version 38 MS-DRG assignment and relative weights are used when determining total payments for purposes of all of the budget neutrality factors and the final outlier threshold. As a result, the corrections to the MS-DRG assignment under the ICD-10 MS-DRG GROUPER version 38 for some cases in the historical claims data in the FY 2019 MedPAR files and the recalculation of the relative weights directly affected the calculation of total payments and required the recalculation of all the budget neutrality factors and the final outlier threshold.

In addition, as discussed in section II.D. of this correcting document, we made updates to the calculation of Factor 3 of the uncompensated care payment methodology to reflect updated information on hospital mergers received in response to the final rule. Factor 3 determines the total amount of the uncompensated care payment a hospital is eligible to receive for a fiscal year. This hospital-specific payment amount is then used to calculate the amount of the interim

uncompensated care payments a hospital receives per discharge. Per discharge uncompensated care payments are included when determining total payments for purposes of all of the budget neutrality factors and the final outlier threshold. As a result, the revisions made to the calculation of Factor 3 to address additional merger information directly affected the calculation of total payments and required the recalculation of all the budget neutrality factors and the final outlier threshold.

We made an inadvertent error in the Medicare Geographic Classification Review Board (MGCRB) reclassification status of one hospital in the FY 2021 IPPS/LTCH PPS final rule. Specifically, CCN 050481 is incorrectly listed in Table 2 as reclassified to its geographic “home” of CBSA 31084. The correct reclassification area is to CBSA 37100. This correction necessitated the recalculation of the FY 2021 wage index for CBSA 37100 and affected the final FY 2021 wage index with reclassification. The final FY 2021 IPPS wage index with reclassification is used when determining total payments for purposes of all budget neutrality factors (except for the MS-DRG reclassification and recalibration budget neutrality factor and the wage index budget neutrality adjustment factor) and the final outlier threshold.

Due to the correction of the combination of errors listed previously (corrections to the MS-DRG assignment for some cases in the historical claims data and the resulting recalculation of the relative weights and average length of stay, revisions to Factor 3 of the uncompensated care payment methodology, and the correction to the MGCRB reclassification status of one hospital), we recalculated all IPPS budget neutrality adjustment factors, the fixed-loss cost threshold, the final wage indexes (and geographic adjustment factors (GAFs)), the national operating standardized amounts and capital Federal rate. Therefore, we made conforming changes to the following:

- On page 59034, the table titled “Summary of FY 2021 Budget Neutrality Factors”.

- On page 59037, the estimated total Federal capital payments and the estimated capital outlier payments.

- On page 59040, the calculation of the outlier fixed-loss cost threshold, total operating Federal payments, total operating outlier payments, the outlier adjustment to the capital Federal rate and the related discussion of the percentage estimates of operating and capital outlier payments.

- On page 59042, the table titled “Changes from FY 2020 Standardized Amounts to the FY 2021 Standardized Amounts”.

On page 59039, we are correcting a typographical error in the total cases from October 1, 2018 through September 31, 2019 used to calculate the average covered charge per case, which is then used to calculate the charge inflation factor.

On pages 59047 through 59048, in our discussion of the determination of the Federal hospital inpatient capital-related prospective payment rate update, due to the recalculation of the GAFs as well as corrections to the MS-DRG assignment for some cases in the historical claims data and the resulting recalculation of the relative weights and average length of stay, we have made conforming corrections to the capital Federal rate, the incremental budget neutrality adjustment factor for changes in the GAFs, and the outlier threshold (as discussed previously). As a result of these changes, we also made conforming corrections in the table showing the comparison of factors and adjustments for the FY 2020 capital Federal rate and FY 2021 capital Federal rate. As we noted in the final rule, the capital Federal rate is calculated using unrounded budget neutrality and outlier adjustment factors. The unrounded GAF/DRG budget neutrality factors and the unrounded outlier adjustment to the capital Federal rate were revised because of these errors. However, after rounding these factors to 4 decimal places as displayed in the final rule, the rounded factors were unchanged from the final rule.

On page 59057, we are making conforming changes to the fixed-loss amount for FY 2021 site neutral payment rate discharges, and the high cost outlier (HCO) threshold (based on the corrections to the IPPS fixed-loss amount discussed previously).

On pages 59060 and 59061, we are making conforming corrections to the national adjusted operating standardized amounts and capital standard Federal payment rate (which also include the rates payable to hospitals located in Puerto Rico) in Tables 1A, 1B, 1C, and 1D as a result of the conforming corrections to certain budget neutrality factors and the outlier threshold previously described.

C. Summary of Errors in the Appendices

On pages 59062, 59070, 59074 through 59076, and 59085 we are correcting inadvertent typographical errors in the internal section references.

On pages 59064 through 59071, 59073 and 59074, and 59092 and 59093, in our regulatory impact analyses, we have made conforming corrections to the factors, values, and tables and accompanying discussion of the changes in operating and capital IPPS payments for FY 2021 and the effects of certain IPPS budget neutrality factors as a result of the technical errors that lead to changes in our calculation of the operating and capital IPPS budget neutrality factors, outlier threshold, final wage indexes, operating standardized amounts, and capital Federal rate (as described in section II.B. of this correcting document). These conforming corrections include changes to the following tables:

- On pages 59065 through 59069, the table titled “Table I—Impact Analysis of Changes to the IPPS for Operating Costs for FY 2021”.
- On pages 59073 and 59074, the table titled “Table II—Impact Analysis of Changes for FY 2021 Acute Care Hospital Operating Prospective Payment System (Payments per discharge)”.

- On pages 59092 and 59093, the table titled “Table III—Comparison of Total Payments per Case [FY 2020 Payments Compared to Final FY 2021 payments]”.

On pages 59076 through 59079, we are correcting the discussion of the “Effects of the Changes to Uncompensated Care Payments for FY 2021” for purposes of the Regulatory Impact Analysis in Appendix A of the FY 2021 IPPS/LTCH PPS final rule, including the table titled “Modeled Uncompensated Care Payments for Estimated FY 2021 DSHs by Hospital Type: Uncompensated Care Payments (\$ in Millions)*—from FY 2020 to FY 2021” on pages 59077 and 59078, in light of the corrections discussed in section II.D. of this correcting document.

D. Summary of Errors in and Corrections to Files and Tables Posted on the CMS Website

We are correcting the errors in the following IPPS tables that are listed on pages 59059 and 59060 of the FY 2021 IPPS/LTCH PPS final rule and are available on the internet on the CMS website at <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/index.html>.

The tables that are available on the internet have been updated to reflect the revisions discussed in this correcting document.

Table 2—Case-Mix Index and Wage Index Table by CCN—FY 2021 Final Rule. As discussed in section II.B. of this correcting document, CCN 050481 is incorrectly listed as reclassified to its home geographic area of CBSA 31084. In this table, we are correcting the columns titled “Wage Index Payment CBSA” and “MGCRB Reclass” to accurately reflect its reclassification to CBSA 37100. This correction necessitated the recalculation of the FY 2021 wage index for CBSA 37100. Also, the corrections to the version 38 MS–DRG assignment for some cases in the historical claims data and the resulting recalculation of the relative weights and ALOS, corrections to Factor 3 of the uncompensated care payment methodology, and recalculation of all of the budget neutrality adjustments (as discussed in section II.B. of this correcting document) necessitated the recalculation of the rural floor budget neutrality factor

which is the only budget neutrality factor applied to the FY 2021 wage indexes. Because the rural floor budget neutrality factor is applied to the FY 2021 wage indexes, we are making corresponding changes to the wage indexes listed in Table 2. In addition, as also discussed later in this section, because the wage indexes are one of the inputs used to determine the out-migration adjustment, some of the out migration adjustments changed. Therefore, we are making corresponding changes to some of the out-migration adjustments listed in Table 2. Also, as discussed in section II.A of this correcting document, we made a conforming change to the 25th percentile wage index value across all hospitals. Accordingly, we are making corresponding changes to the values for hospitals in the columns titled “FY 2021 Wage Index Prior to Quartile and Transition”, “FY 2021 Wage Index With Quartile”, “FY 2021 Wage Index With Quartile and Cap” and “Out-Migration Adjustment”. We also updated footnote number 6 to reflect the conforming change to the 25th percentile wage index value across all hospitals.

Table 3.—Wage Index Table by CBSA—FY 2021 Final Rule. As discussed in section II.B. of this correcting document, CCN 050481 is incorrectly listed in Table 2 as reclassified to its home geographic area of CBSA 31084 instead of reclassified to CBSA 37100. This correction necessitated the recalculation of the FY 2021 wage index for CBSA 37100. Also, corrections to the version 38 MS-DRG assignment for some cases in the historical claims data and the resulting recalculation of the relative weights and ALOS, corrections to Factor 3 of the uncompensated care payment methodology, and the recalculation of all of the budget neutrality adjustments (as discussed in section II.B. of this correcting document) necessitated the recalculation of the rural floor budget neutrality factor which is the only budget neutrality factor applied to the FY 2021 wage indexes. Because the rural floor budget neutrality factor is applied to the FY 2021 wage indexes, we are making corresponding changes to the wage indexes and GAFs of all CBSAs listed in Table 3. Specifically, we are correcting the values and flags in the columns titled “Wage Index”, “GAF”, “Reclassified Wage Index”, “Reclassified GAF”, “State

Rural Floor”, “Eligible for Rural Floor Wage Index”, “Pre-Frontier and/or Pre-Rural Floor Wage Index”, “Reclassified Wage Index Eligible for Frontier Wage Index”, “Reclassified Wage Index Eligible for Rural Floor Wage Index”, and “Reclassified Wage Index Pre-Frontier and/or Pre-Rural Floor”.

Table 4A.— List of Counties Eligible for the Out-Migration Adjustment under Section 1886(d)(13) of the Act—FY 2021 Final Rule. As discussed in section II.B. of this correcting document, CCN 050481 is incorrectly listed in Table 2 as reclassified to its home geographic area of CBSA 31084 instead of reclassified to CBSA 37100. This correction necessitated the recalculation of the FY 2021 wage index for CBSA 37100. Also, corrections to the version 38 MS-DRG assignment for some cases in the historical claims data and the resulting recalculation of the relative weights and ALOS, corrections to Factor 3 of the uncompensated care payment methodology, and the recalculation of all of the budget neutrality adjustments (as discussed in section II.B. of this correcting document) necessitated the recalculation of the rural floor budget neutrality factor which is the only budget neutrality factor applied to the FY 2021 wage indexes. As a result, as discussed previously, we are making corresponding changes to the FY 2021 wage indexes. Because the wage indexes are one of the inputs used to determine the out-migration adjustment, some of the out migration adjustments changed. Therefore, we are making corresponding changes to some of the out-migration adjustments listed in Table 4A. Specifically, we are correcting the values in the column titled “FY 2021 Out Migration Adjustment”.

Table 5.—List of Medicare Severity Diagnosis-Related Groups (MS-DRGs), Relative Weighting Factors, and Geometric and Arithmetic Mean Length of Stay—FY 2021. We are correcting this table to reflect the recalculation of the relative weights, geometric average length-of-stay (LOS), and arithmetic mean LOS as a result of the corrections to the version 38 MS-DRG assignment for some cases in the historical claims data used in the calculations (as discussed in section II.B. of this correcting document).

Table 7B.—Medicare Prospective Payment System Selected Percentile Lengths of Stay: FY 2019 MedPAR Update—March 2020 GROUPER Version 38 MS–DRGs. We are correcting this table to reflect the recalculation of the relative weights, geometric average LOS, and arithmetic mean LOS as a result of the corrections to the version 38 MS–DRG assignment for some cases in the historical claims data used in the calculations (as discussed in section II.B. of this correcting document).

Table 18.—FY 2021 Medicare DSH Uncompensated Care Payment Factor 3. For the FY 2021 IPPS/LTCH PPS final rule, we published a list of hospitals that we identified to be subsection (d) hospitals and subsection (d) Puerto Rico hospitals projected to be eligible to receive uncompensated care interim payments for FY 2021. As stated in the FY 2021 IPPS/LTCH PPS final rule (85 FR 58834 and 58835), we allowed the public an additional period after the issuance of the final rule to review and submit comments on the accuracy of the list of mergers that we identified in the final rule. Based on the comments received during this additional period, we are updating this table to reflect the merger information received in response to the final rule and to revise the Factor 3 calculations for purposes of determining uncompensated care payments for the FY 2021 IPPS/LTCH PPS final rule.

We are revising Factor 3 for all hospitals to reflect the updated merger information received in response to the final rule. We are also revising the amount of the total uncompensated care payment calculated for each DSH-eligible hospital. The total uncompensated care payment that a hospital receives is used to calculate the amount of the interim uncompensated care payments the hospital receives per discharge; accordingly, we have also revised these amounts for all DSH-eligible hospitals. These corrections will be reflected in Table 18 and the Medicare DSH Supplemental Data File. Per discharge uncompensated care payments are included when determining total payments for purposes of all of the budget neutrality factors and the final outlier threshold. As a result, these corrections to uncompensated

care payments impacted the calculation of all the budget neutrality factors as well as the outlier fixed-loss cost threshold. In section IV.C. of this correcting document, we have made corresponding revisions to the discussion of the “Effects of the Changes to Medicare DSH and Uncompensated Care Payments for FY 2021” for purposes of the Regulatory Impact Analysis in Appendix A of the FY 2021 IPPS/LTCH PPS final rule to reflect the corrections discussed previously and to correct minor typographical errors.

The files that are available on the internet have been updated to reflect the corrections discussed in this correcting document.

III. Waiver of Proposed Rulemaking, 60-Day Comment Period, and Delay in Effective Date

Under 5 U.S.C. 553(b) of the Administrative Procedure Act (APA), the agency is required to publish a notice of the proposed rulemaking in the **Federal Register** before the provisions of a rule take effect. Similarly, section 1871(b)(1) of the Act requires the Secretary to provide for notice of the proposed rulemaking in the **Federal Register** and provide a period of not less than 60 days for public comment. In addition, section 553(d) of the APA, and section 1871(e)(1)(B)(i) of the Act mandate a 30-day delay in effective date after issuance or publication of a rule. Sections 553(b)(B) and 553(d)(3) of the APA provide for exceptions from the notice and comment and delay in effective date APA requirements; in cases in which these exceptions apply, sections 1871(b)(2)(C) and 1871(e)(1)(B)(ii) of the Act provide exceptions from the notice and 60-day comment period and delay in effective date requirements of the Act as well. Section 553(b)(B) of the APA and section 1871(b)(2)(C) of the Act authorize an agency to dispense with normal rulemaking requirements for good cause if the agency makes a finding that the notice and comment process are impracticable, unnecessary, or contrary to the public interest. In addition, both section 553(d)(3) of the APA and section 1871(e)(1)(B)(ii) of the Act allow the

agency to avoid the 30-day delay in effective date where such delay is contrary to the public interest and an agency includes a statement of support.

We believe that this correcting document does not constitute a rule that would be subject to the notice and comment or delayed effective date requirements. This document corrects technical and typographical errors in the preamble, addendum, payment rates, tables, and appendices included or referenced in the FY 2021 IPPS/LTCH PPS final rule, but does not make substantive changes to the policies or payment methodologies that were adopted in the final rule. As a result, this correcting document is intended to ensure that the information in the FY 2021 IPPS/LTCH PPS final rule accurately reflects the policies adopted in that document.

In addition, even if this were a rule to which the notice and comment procedures and delayed effective date requirements applied, we find that there is good cause to waive such requirements. Undertaking further notice and comment procedures to incorporate the corrections in this document into the final rule or delaying the effective date would be contrary to the public interest because it is in the public's interest for providers to receive appropriate payments in as timely a manner as possible, and to ensure that the FY 2021 IPPS/LTCH PPS final rule accurately reflects our policies. Furthermore, such procedures would be unnecessary, as we are not altering our payment methodologies or policies, but rather, we are simply implementing correctly the methodologies and policies that we previously proposed, requested comment on, and subsequently finalized. This correcting document is intended solely to ensure that the FY 2021 IPPS/LTCH PPS final rule accurately reflects these payment methodologies and policies. Therefore, we believe we have good cause to waive the notice and comment and effective date requirements. Moreover, even if these corrections were considered to be retroactive rulemaking, they would be authorized under section 1871(e)(1)(A)(ii) of the Act, which permits the Secretary to issue a rule for the Medicare program with retroactive effect if the failure to do so would be contrary to the public interest. As we have explained previously, we believe it would be contrary

to the public interest not to implement the corrections in this correcting document because it is in the public's interest for providers to receive appropriate payments in as timely a manner as possible, and to ensure that the FY 2021 IPPS/LTCH PPS final rule accurately reflects our policies.

IV. Correction of Errors

In FR Doc. 2020–19637 of September 18, 2020 (85 FR 58432), we are making the following corrections:

A. Corrections of Errors in the Preamble

1. On page 58435, third column, third full paragraph, line 1, the reference, “section II.G.9.b.” is corrected to read “section II.F.9.b.”.
2. On page 58436, first column, first full paragraph, line 10, the reference, “section II.G.9.c.” is corrected to read “section II.F.9.c.”.
3. On page 58448, lower half of the page, second column, first partial paragraph, lines 19 and 20, the reference, “section II.E.2.b.” is corrected to read “section II.D.2.b.”.
4. On page 58451, first column, first full paragraph, line 12, the reference, “section II.E.16.” is corrected to read “section II.D.16.”.
5. On page 58453, third column, third full paragraph, line 13, the reference, “section II.E.2.b.” is corrected to read “section II.D.2.b.”.
6. On page 58459, first column, fourth paragraph, line 3, the reference, “section II.E.1.b.” is corrected to read “section II.D.1.b.”.
7. On page 58464, bottom quarter of the page, second column, partial paragraph, lines 4 and 5, the phrase “and section II.E.15. of this final rule,” is corrected to read “and this final rule,”.
8. On page 58471, first column, first partial paragraph, lines 12 and 13, the reference, “section II.E.15.” is corrected to read “section II.D.15.”.

9. On page 58479, first column, first partial paragraph:
 - a. Line 6, the reference, “section II.E.16.” is corrected to read “section II.D.16.”.
 - b. Line 15, the reference, “section II.E.1.b.” is corrected to read “section II.D.1.b.”.
10. On page 58487, first column, first full paragraph, lines 20 through 21, the reference, “section II.E.12.b.” is corrected to read “section II.D.12.b.”.
11. On page 58495, middle of the page, third column, first full paragraph, line 5, the reference, “section II.E.1.b.” is corrected to read “section II.D.1.b.”.
12. On page 58506:
 - a. Top half of the page, second column, first full paragraph, line 8, the reference, “section II.E.1.b.” is corrected to read “section II.D.1.b.”.
 - b. Bottom half of the page:
 - (1) First column, first paragraph, line 5, the reference, “section II.E.1.b.” is corrected to read “section II.D.1.b.”.
 - (2) Second column, third full paragraph, line 5, the reference, “section II.E.1.b.” is corrected to read “section II.D.1.b.”.
13. On page 58509:
 - a. First column, last paragraph, last line, the reference, “section II.E.2.” is corrected to read “section II.D.2.”.
 - b. Third column, last paragraph, line 5, the reference, “section II.E.1.b.” is corrected to read “section II.D.1.b.”.
14. On page 58520, second column, second full paragraph, line 22, the reference, “section II.E.11.” is corrected to read “section II.D.11.”.
15. On page 58529, bottom half of the page, first column, last paragraph, lines 11 and 12, the reference, “section II.E.12.a.” is corrected to read “section II.D.12.a.”.
16. On page 58531:

a. Top of the page, second column, last paragraph, line 3, the reference, “section II.E.4.” is corrected to read “section II.D.4.”.

b. Bottom of the page, first column, last paragraph, line 3, the reference, “section II.E.16.” is corrected to read “section II.D.16.”.

17. On page 58532, top of the page, second column, first partial paragraph, line 5, the reference, “section II.E.4.” is corrected to read “section II.D.4.”.

18. On page 58537:

a. Second column, last paragraph, line 6, the reference, “section II.E.11.c.5.” is corrected to read “section II.D.11.c.(5).”.

b. Third column, fifth paragraph:

(1) Lines 8 and 9, the reference, “section II.E.11.c.1.” is corrected to read “section II.D.11.c.(1).”.

(2) Line 29, the reference, “section II.E.11.c.1.” is corrected to read “section II.D.11.c.(1).”.

19. On page 58540, first column, first partial paragraph, line 19, the reference, “section II.E.13.” is corrected to read “section II.D.13.”.

20. On page 58541, second column, first partial paragraph, lines 9 and 10, the reference, “section II.E.1.b.” is corrected to read “section II.D.1.b.”.

21. On page 58553, second column, third full paragraph, line 20, the reference, “section II.E.16.” is corrected to read “section II.D.16.”.

22. On page 58554, first column, fifth full paragraph, line 1, the reference, “section II.E.13.” is corrected to read “section II.D.13.”.

23. On page 58555, second column, fifth full paragraph, lines 8 and 9, the reference, “section II.E.13.” is corrected to read “section II.D.13.”.

24. On page 58556:

a. First column, first partial paragraph, line 5, the reference, “section II.E.16.” is corrected to read “section II.D.16.”.

b. Second column, first full paragraph:

(1) Line 6, the reference, “section II.E.16.” is corrected to read “section II.D.16.”.

(2) Line 38, the reference, “section II.E.16.” is corrected to read “section II.D.16.”.

25. On page 58559, bottom half of the page, third column, first full paragraph, line 21, the reference, “section II.E.12.c.” is corrected to read “section II.D.12.c.”.

26. On page 58560, first column, first full paragraph, line 14, the reference, “section II.E.16.” is corrected to read “section II.D.16.”.

27. On page 58580, third column, last paragraph, line 3, the reference, “section II.E.13. of this final rule,” is corrected to read “this final rule,”.

28. On page 58581:

a. Middle of the page:

(1) First column, first paragraph, line 3, the reference, “section II.E.13. of this final rule,” is corrected to read “this final rule,”.

(2) Third column, last paragraph, line 3, the reference, “section II.E.13. of this final rule,” is corrected to read “this final rule,”.

b. Bottom of the page, third column, last paragraph, line 3, the reference, “section II.E.13. of this final rule,” is corrected to read “this final rule,”.

29. On page 58582:

a. Middle of the page:

(1) First column, first paragraph, line 3, the reference, “section II.E.13. of this final rule,” is corrected to read “this final rule,”.

(2) Third column, first full paragraph, line 3, the reference, “section II.E.13. of this final rule,” is corrected to read “this final rule,”.

b. Bottom of the page, second column, first full paragraph, lines 2 and 3, the reference, “in section II.E.13. of this final rule,” is corrected to read “this final rule,”.

30. On page 58583:

a. Top of the page, second column, last paragraph, line 3, the reference, “section II.E.13. of this final rule,” is corrected to read “this final rule,”.

b. Bottom of the page:

(1) First column, last paragraph, line 3, the reference, “in section II.E.13. of this final rule,” is corrected to read “this final rule,”.

(2) Third column, last paragraph, line 3, the reference, “section II.E.13. of this final rule,” is corrected to read “this final rule,”.

31. On page 58585, top of the page, third column, last paragraph, lines 3 and 4, the reference, “in section II.E.13. of this final rule,” is corrected to read “this final rule,”.

32. On page 58586:

a. Second column, last partial paragraph, line 4, the reference, “section II.E.2.b.” is corrected to read “section II.D.2.b.”.

b. Third column:

(1) First partial paragraph:

(a) Lines 12 and 13, the reference, “in section II.E.2.b. of this final rule,” is corrected to read “this final rule,”.

(b) Lines 20 and 21, the reference, “in section II.E.8.a. of this final rule,” is corrected to read “this final rule,”.

(2) Last partial paragraph:

(a) Line 3, the reference, “section II.E.4. of this final rule,” is corrected to read “this final rule,”.

(b) Line 38, the reference, “section II.E.7.b. of this final rule,” is corrected to read “this

final rule.”.

33. On page 58587:

a. Top of the page, second column, partial paragraph, line 7, the reference, “section II.E.8.a. of this final rule,” is corrected to read “this final rule.”.

b. Bottom of the page:

(1) Second column, last partial paragraph, line 3, the reference, “section II.E.2.b.” is corrected to read “section II.D.2.b.”.

(2) Third column, first partial paragraph, line 1, the reference, “section II.E.8.a.” is corrected to read “section II.D.8.a.”.

34. On page 58588, first column:

a. First full paragraph, line 3, the reference, “section II.E.4.” is corrected to read “section II.D.4.”.

b. Third full paragraph, line 3, the reference, “section II.E.7.b.” is corrected to read “section II.D.7.b.”.

c. Fifth full paragraph, line 3, the reference, “section II.E.8.a.” is corrected to read “section II.D.8.a.”.

35. On page 58596:

a. First column:

(1) First full paragraph, line 1, the reference, “section II.E.5.a.” is corrected to read “section II.D.5.a.”.

(2) Last paragraph, line 5, the reference, “section II.E.1.b.” is corrected to read “section II.D.1.b.”.

c. Second column, first full paragraph, line 14, the date “March 31, 2019” is corrected to read “March 31, 2020”.

36. On page 58599, first column, second full paragraph, line 1, the reference, “section

II.E.2.b.” is corrected to read “section II.D.2.b.”.

37. On page 58603, first column:

a. First partial paragraph, line 13, the reference, “section II.G.1.a.(2).b.” is corrected to read “section II.F.1.a.(2).b.”.

b. Last partial paragraph, line 21, the reference, “section II.G.1.a.(2).b.” is corrected to read “section II.F.1.a.(2).b.”.

38. On page 58604, third column, first partial paragraph, line 38, the reference, “section II.E.2.b.” is corrected to read “section II.D.2.b.”.

39. On page 58606:

a. First column, second partial paragraph, line 13, the reference, “section II.G.9.b.” is corrected to read “section II.F.9.b.”.

b. Second column:

(1) First partial paragraph, line 3, the reference, “section II.G.9.b.” is corrected to read “section II.F.9.b.”.

(2) First full paragraph:

(a) Line 29, the reference, “section II.G.8.” is corrected to read “section II.F.8.”.

(b) Line 36, “section II.G.8.” is corrected to read “section II.F.8.”.

e. Third column, first full paragraph:

(1) Lines 4 and 5, the reference, “section II.G.9.b.” is corrected to read section “II.F.9.b.”.

(2) Line 13, the reference “section II.G.9.b.” is corrected to read “section II.F.9.b.”.

40. On page 58607:

a. First column, first full paragraph:

(1) Line 7, the reference, “section II.G.9.b.” is corrected to read “section II.F.9.b.”.

(2) Line 13, the reference, “section II.G.9.b.” is corrected to read “section II.F.9.b.”.

c. Second column, first partial paragraph:

(1) Line 20, the reference, “section II.G.9.c.” is corrected to read “section II.F.9.c.”.

(2) Line 33, the reference, “section II.G.9.c.” is corrected to read “section II.F.9.c.”.

41. On page 58610:

a. Second column, last partial paragraph, lines 1 and 16, the reference, “section II.E.2.b.” is corrected to read “section II.D.2.b.”.

b. Third column, first partial paragraph:

(1) Line 6, the reference, “section II.G.1.a.(2).b.” is corrected to read “section II.F.1.a.(2).b.”

(2) Lines 20 and 21, the reference, “section II.G.1.a.(2).b.” is corrected to read “section II.F.1.a.(2).b.”.

42. On page 58716, first column, second full paragraph, lines 14 through 19, the phrase, “with 03HK0MZ (Insertion of stimulator lead into right internal carotid artery, open approach) or 03HL0MZ (Insertion of stimulator lead into left internal carotid artery, open approach)” is corrected to read “with 03HK3MZ (Insertion of stimulator lead into right internal carotid artery, percutaneous approach) or 03HL3MZ (Insertion of stimulator lead into left internal carotid artery, percutaneous approach).”.

43. On page 58717, first column, first partial paragraph, line 5, the phrase, “with 03HK0MZ or 03HL0MZ” is corrected to read “with 03HK3MZ or 03HL3MZ.”

44. On page 58719:

a. First column, last partial paragraph, line 12, the reference, “section II.G.8.” is corrected to read “section II.F.8.”.

b. Third column, first partial paragraph, line 15, the reference, “section II.G.8.” is corrected to read “section II.F.8.”.

45. On page 58721, third column, second full paragraph, line 17, the phrase, “XW03366

or XW04366” is corrected to read “XW033A6 (Introduction of cefiderocol anti-infective into peripheral vein, percutaneous approach, new technology group 6) or XW043A6 (Introduction of cefiderocol anti-infective into central vein, percutaneous approach, new technology group 6).”.

46. On page 58723, second column, first partial paragraph, line 14, the phrase, “procedure codes XW03366 or XW04366” is corrected to read “procedure codes XW033A6 or XW043A6.”

47. On page 58734, third column, second full paragraph, line 26, the reference, “section II.G.9.b.” is corrected to read “section II.F.9.b.”.

48. On page 58736, second column, first full paragraph, line 27, the reference, “II.G.9.b.” is corrected to read “II.F.9.b.”.

49. On page 58737, third column, first partial paragraph, line 5, the reference, “section II.G.1.d.” is corrected to read “section II.F.1.d.”.

50. On page 58739, third column, first full paragraph, line 21, the reference, “section II.G.8.” is corrected to read “section II.F.8.”.

51. On page 58741, third column, second partial paragraph, line 17, the reference, “section II.G.9.a.” is corrected to read “section II.F.9.a.”.

52. On page 58768, third column, first partial paragraph, line 3, the figure “0.8465” is corrected to read “0.8469”.

53. On page 58842, second column, first full paragraph, lines 19 and 35, the reference, “section II.E.2.b.” is corrected to read “section II.D.2.b.”.

54. On page 58876, first column, first full paragraph, line 18, the reference, “section II.E.” is corrected to read “section II.D.”.

55. On page 58893, first column, second full paragraph, line 5, the reference, “section II.E.2.b.” is corrected to read “section II.D.2.b.”.

56. On page 58898, third column, first full paragraph, line 9, the reference, “section II.E.” is corrected to read “section II.D.”.

57. On page 58899, third column, first full paragraph, line 24 the reference, “section II.E.1.” is corrected to read “section II.D.1.”.

58. On page 58900, first column, third paragraph, line 26, the reference, “section II.E.” is corrected to read “section II.D.”.

59. On page 59006, second column, second full paragraph:

- a. Line 4, the regulation citation, “(c)(3)(i)” is corrected to read “(c)(1)(ii)”.
- b. Line 12, the regulation citation, “(c)(3)(ii)” is corrected to read “(c)(2)(ii)”.
- c. Lines 17 and 18, the phrase “charged to an uncollectible receivables account” is corrected to read, “recorded as an implicit price concession”.

B. Correction of Errors in the Addendum

1. On page 59031:

a. First column:

(1) First full paragraph, line 7, the reference, “section “II.G.” is corrected to read “section II.E.”.

(2) Second partial paragraph, lines 26 and 27, the reference, “section II.G.” is corrected to read “section II.E.”.

b. Second column, first partial paragraph:

(1) Line 5, the reference, “section II.E.2.b.” is corrected to read “section II.D.2.b.”.

(2) Line 22, the reference, “section II.E.2.b.” is corrected to read “section II.D.2.b.”.

2. On page 59034, at the top of the page, the table titled “Summary of FY 2021 Budget Neutrality Factors” is corrected to read:

Summary of FY 2021 Budget Neutrality Factors	
MS-DRG Reclassification and Recalibration Budget Neutrality Factor	0.997975
Wage Index Budget Neutrality Factor	1.000447
Reclassification Budget Neutrality Factor	0.986616

*Rural Floor Budget Neutrality Factor	0.993446
Rural Demonstration Budget Neutrality Factor	0.999626
Stem Cell Acquisition Budget Neutrality Factor	0.999847
Low Wage Index Hospital Policy Budget Neutrality Factor	0.997970
Transition Budget Neutrality Factor	0.998851

*The rural floor budget neutrality factor is applied to the national wage indexes while the rest of the budget neutrality adjustments are applied to the standardized amounts.

3. On page 59037, second column:

a. First full paragraph, line 4, the phrase “(estimated capital outlier payments of \$429,431,834 divided by (estimated capital outlier payments of \$429,431,834 plus the estimated total capital Federal payment of \$7,577,697,269))” is corrected to read: “(estimated capital outlier payments of \$429,147,874 divided by (estimated capital outlier payments of \$429,147,874 plus the estimated total capital Federal payment of \$7,577,975,637))”

b. Last partial paragraph, line 8, the reference, “section II.E.2.b.” is corrected to read “section II.D.2.b.”.

4. On page 59039, third column, last paragraph, lines 18 and 19, the phrase “9,519,120 cases” is corrected to “9,221,466 cases”.

5. On page 59040:

a. Top of the page, third column:

(1) First partial paragraph:

(a) Line 9, the figure “\$29,051” is corrected to read “\$29,064”.

(b) Line 11, the figure “\$4,955,813,978” is corrected to read “\$4,951,017,650”

(c) Line 12, the figure “\$92,027,177,037” is corrected to read “\$91,937,666,182”.

(d) Line 26, the figure “\$29,108” is corrected to read “\$29,121”.

(e) Line 33, the figure “\$29,051” is corrected to read “\$29,064”.

(2) First full paragraph, line 11, the phrase “threshold for FY 2021 (which reflects our” is corrected to read “threshold for FY 2021 of \$29,064 (which reflects our”.

b. Bottom of the page, the untitled table is corrected to read as follows:

	Operating Standardized Amounts	Capital Federal Rate*
National	0.949	0.946604

*The adjustment factor for the capital Federal rate includes an adjustment to the estimated percentage of FY 2021 capital outlier payments for capital outlier reconciliation, as discussed previously and in section II.A.4.j.(1). in the Addendum to this final rule.

6. On pages 59042, the table titled “CHANGES FROM FY 2020 STANDARDIZED AMOUNTS TO THE FY 2021 STANDARDIZED AMOUNTS” is corrected to read as follows:

**CHANGES FROM FY 2020 STANDARDIZED AMOUNTS TO THE FY 2021
STANDARDIZED AMOUNTS**

	Hospital Submitted Quality Data and is a Meaningful EHR User	Hospital Submitted Quality Data and is NOT a Meaningful EHR User	Hospital Did NOT Submit Quality Data and is a Meaningful EHR User	Hospital Did NOT Submit Quality Data and is NOT a Meaningful EHR User
FY 2021 Base Rate after removing: 1. FY 2020 Geographic Reclassification Budget Neutrality (0.985447) 2. FY 2020 Operating Outlier Offset (0.949) 3. FY 2020 Rural Demonstration Budget Neutrality Factor (0.999771) 4. FY 2020 Lowest Quartile Budget Neutrality Factor (0.997984) 5. FY 2020 Transition Budget Neutrality Factor (0.998835)	If Wage Index is Greater Than 1.0000: Labor (68.3%): \$4,247.95 Nonlabor (31.7%): \$1,971.59 If Wage Index is less Than or Equal to 1.0000: Labor (62%): \$3,856.11 Nonlabor (38%): \$2,363.43	If Wage Index is Greater Than 1.0000: Labor (68.3%): \$4,247.95 Nonlabor (31.7%): \$1,971.59 If Wage Index is less Than or Equal to 1.0000: Labor (62%) \$3,856.11 Nonlabor (38%): \$2,363.43	If Wage Index is Greater Than 1.0000: Labor (68.3%): \$4,247.95 Nonlabor (31.7%): \$1,971.59 If Wage Index is less Than or Equal to 1.0000: Labor (62%): \$3,856.11 Nonlabor (38%): \$2,363.43	If Wage Index is Greater Than 1.0000: Labor (68.3%): \$4,247.95 Nonlabor (31.7%): \$1,971.59 If Wage Index is less Than or Equal to 1.0000: Labor (62%): \$3,856.11 Nonlabor (38%): \$2,363.43
FY 2021 Update Factor	1.024	1.006	1.0180	1
FY 2021 MS-DRG Reclassification and Recalibration Budget Neutrality Factor	0.997975	0.997975	0.997975	0.997975
FY 2021 Wage Index Budget Neutrality Factor	1.000447	1.000447	1.000447	1.000447
FY 2021 Reclassification Budget Neutrality Factor	0.986616	0.986616	0.986616	0.986616
FY 2021 Rural Demonstration Budget Neutrality Factor	0.999626	0.999626	0.999626	0.999626
FY 2021 Stem Cell Acquisition Budget Neutrality Factor	0.999847	0.999847	0.999847	0.999847
FY 2021 Lowest Quartile Budget Neutrality Factor	0.997970	0.997970	0.997970	0.997970
FY 2021 Transition Budget Neutrality Factor	0.998851	0.998851	0.998851	0.998851
FY 2021 Operating Outlier Factor	0.949	0.949	0.949	0.949
Adjustment for FY 2021 Required under Section 414 of Pub. L. 114-10 (MACRA)	1.005	1.005	1.005	1.005
National Standardized Amount for FY 2021 if Wage Index is Greater Than 1.0000; Labor/Non-Labor Share Percentage (68.3/31.7)	Labor: \$4,071.57 Nonlabor: \$1,889.74	Labor: \$4000.00 Nonlabor: \$1,856.52	Labor: \$4,047.71 Nonlabor: \$1,878.67	Labor: \$3,976.14 Nonlabor: \$1,845.45
National Standardized Amount for FY 2021 if Wage Index is Less Than or Equal to 1.0000; Labor/Non-Labor Share Percentage (62/38)	Labor: \$3,696.01 Nonlabor: \$2,265.30	Labor: \$3,631.04 Nonlabor: \$2,225.48	Labor: \$3,674.36 Nonlabor: \$2,252.02	Labor: \$3,609.39 Nonlabor: \$2,212.20

7. On page 59047:

a. Second column:

(1) Second full paragraph, line 43, the figure “0.9984” is corrected to read “0.9983”.

(2) Last paragraph:

(a) Line 17, the figure “0.9984” is corrected to read “0.9983”.

(b) Line 18, the figure “0.9984” is corrected to read “0.9983”.

b. Third column:

(1) Third paragraph, line 4, the figure “0.9984” is corrected to read “0.9983”.

(2) Last paragraph, line 9, the figure “\$466.22” is corrected to read “\$466.21”.

8. On page 59048:

a. The chart titled “COMPARISON OF FACTORS AND ADJUSTMENTS: FY 2020 CAPITAL FEDERAL RATE AND THE FY 2021 CAPITAL FEDERAL RATE” is corrected to read as follows:

	FY 2020	FY 2021	Change	Percent Change
Update Factor ¹	1.0150	1.0110	1.0110	1.10
GAF/DRG Adjustment Factor ¹	0.9948	0.9971	0.9971	-0.29
Outlier Adjustment Factor ²	0.9463	0.9466	1.0003	0.03
Capital Federal Rate	\$462.33	\$466.21	1.0084	0.84 ³

¹ The update factor and the GAF/DRG budget neutrality adjustment factors are built permanently into the capital Federal rates. Thus, for example, the incremental change from FY 2020 to FY 2021 resulting from the application of the 0.9971 GAF/DRG budget neutrality adjustment factor for FY 2021 is a net change of 0.9971 (or -0.29 percent).

² The outlier reduction factor is not built permanently into the capital Federal rate; that is, the factor is not applied cumulatively in determining the capital Federal rate. Thus, for example, the net change resulting from the application of the FY 2021 outlier adjustment factor is 0.9466/0.9463 or 1.0003 (or 0.03 percent).

³ Percent change may not sum due to rounding.

b. Lower half of the page, first column, second full paragraph, last line, the figure “\$29,051” is corrected to read “\$29,064”.

9. On page 59057, second column, second full paragraph:

a. Line 11, the figure “\$29,051” is corrected to read “\$29,064”.

b. Last line, the figure “\$29,051” is corrected to read “\$29,064”.

10. On page 59060, the table titled “TABLE 1A—NATIONAL ADJUSTED OPERATING STANDARDIZED AMOUNTS, LABOR/NONLABOR (68.3 PERCENT

LABOR SHARE/31.7 PERCENT NONLABOR SHARE IF WAGE INDEX IS GREATER THAN 1) —FY 2021” is corrected to read as follows:

TABLE 1A.—NATIONAL ADJUSTED OPERATING STANDARDIZED AMOUNTS, LABOR/NONLABOR (68.3 PERCENT LABOR SHARE/31.7 PERCENT NONLABOR SHARE IF WAGE INDEX IS GREATER THAN 1)—FY 2021

Hospital Submitted Quality Data and is a Meaningful EHR User (Update = 2.4 Percent)		Hospital Submitted Quality Data and is NOT a Meaningful EHR User (Update = 0.6 Percent)		Hospital Did NOT Submit Quality Data and is a Meaningful EHR User (Update = 1.8 Percent)		Hospital Did NOT Submit Quality Data and is NOT a Meaningful EHR User (Update = 0 Percent)	
Labor	Nonlabor	Labor	Nonlabor	Labor	Nonlabor	Labor	Nonlabor
\$4,071.57	\$1,889.74	\$4,000.00	\$1,856.52	\$4,047.71	\$1,878.67	\$3,976.14	\$1,845.45

11. On page 59061, top of the page:

a. The table titled “TABLE 1B—NATIONAL ADJUSTED OPERATING STANDARDIZED AMOUNTS, LABOR/ NONLABOR (62 PERCENT LABOR SHARE/38 PERCENT NONLABOR SHARE IF WAGE INDEX IS LESS THAN OR EQUAL TO 1)—FY 2021” is corrected to read as follows:

TABLE 1B.—NATIONAL ADJUSTED OPERATING STANDARDIZED AMOUNTS, LABOR/NONLABOR (62 PERCENT LABOR SHARE/38 PERCENT NONLABOR SHARE IF WAGE INDEX IS LESS THAN OR EQUAL TO 1)—FY 2021

Hospital Submitted Quality Data and is a Meaningful EHR User (Update = 2.4 Percent)		Hospital Submitted Quality Data and is NOT a Meaningful EHR User (Update = 0.6 Percent)		Hospital Did NOT Submit Quality Data and is a Meaningful EHR User (Update = 1.8 Percent)		Hospital Did NOT Submit Quality Data and is NOT a Meaningful EHR User (Update = 0 Percent)	
Labor	Nonlabor	Labor	Nonlabor	Labor	Nonlabor	Labor	Nonlabor
\$3,696.01	\$2,265.30	\$3,631.04	\$2,225.48	\$3,674.36	\$2,252.02	\$3,609.39	\$2,212.20

b. The table titled “Table 1C—ADJUSTED OPERATING STANDARDIZED AMOUNTS FOR HOSPITALS IN PUERTO RICO, LABOR/NONLABOR (NATIONAL: 62 PERCENT LABOR SHARE/38 PERCENT NONLABOR SHARE BECAUSE WAGE INDEX IS LESS THAN OR EQUAL TO 1)—FY 2021” is corrected to read as follows:

TABLE 1C.—ADJUSTED OPERATING STANDARDIZED AMOUNTS FOR HOSPITALS IN PUERTO RICO, LABOR/NONLABOR (NATIONAL: 62 PERCENT LABOR SHARE/38 PERCENT NONLABOR SHARE BECAUSE WAGE INDEX IS LESS THAN OR EQUAL TO 1) FY 2021

Standardized Amount	Rates if Wage Index is Greater Than 1		Rates if Wage Index is Less Than or Equal to 1	
	Labor	Nonlabor	Labor	Nonlabor
National ¹	Not Applicable	Not Applicable	\$3,696.01	\$2,265.30

¹ For FY 2021, there are no CBSAs in Puerto Rico with a national wage index greater than 1.

c. The table titled “TABLE 1D—CAPITAL STANDARD FEDERAL PAYMENT RATE—FY 2021” is corrected to read as follows:

TABLE 1D—CAPITAL STANDARD FEDERAL PAYMENT RATE—FY 2021

	Rate
National	466.21

C. Corrections of Errors in the Appendices

1. On page 59062, first column, second full paragraph:
 - a. Line 9, the reference “sections II.G.5. and 6.” is corrected to read “sections II.F.5. and 6.”
 - b. Line 11, the reference “section II.G.6.” is corrected to read “section II.F.6.”
3. On page 59064, third column, second full paragraph, last line, the figures “2,049, and 1,152” are corrected to read “2,050 and 1,151”.
4. On page 59065 through 59069, the table and table notes for the table titled “TABLE I.—IMPACT ANALYSIS OF CHANGES TO THE IPPS FOR OPERATING COSTS FOR FY 2021” are corrected to read as follows:

TABLE I.—IMPACT ANALYSIS OF CHANGES TO THE IPPS FOR OPERATING COSTS FOR FY 2021

	Number of Hospitals ¹	Hospital Rate Update and Adjustment under MACRA (1) ²	FY 2021 Weights and DRG Changes with Application of Recalibration Budget Neutrality (2) ³	FY 2021 Wage Data with Application of Wage Budget Neutrality (3) ⁴	FY 2021 MGCRB Reclassifications (4) ⁵	Rural Floor with Application of National Rural Floor Budget Neutrality (5) ⁶	Application of the Frontier State Wage Index and Outmigration Adjustment (6) ⁷	All FY 2021 Changes (7) ⁸
All Hospitals	3,201	2.8	0.0	0.0	0.0	0.0	0.1	2.5
By Geographic Location:	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Urban hospitals	2,462	2.9	0.0	0.0	-0.1	0.0	0.1	2.5
Rural hospitals	739	2.6	-0.3	0.0	1.0	-0.2	0.1	2.2
Bed Size (Urban):	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0-99 beds	635	2.8	-0.5	-0.1	-0.8	0.1	0.3	2.0
100-199 beds	756	2.9	-0.1	0.0	-0.1	0.1	0.2	2.4
200-299 beds	426	2.9	-0.1	0.0	0.3	0.1	0.1	2.5
300-499 beds	422	2.9	0.0	-0.1	0.0	0.0	0.2	2.4
500 or more beds	223	2.8	0.2	0.1	-0.2	-0.1	0.0	2.7
Bed Size (Rural):	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0-49 beds	312	2.5	-0.5	-0.1	0.1	-0.2	0.2	2.0
50-99 beds	254	2.5	-0.3	0.0	0.7	-0.1	0.2	2.1
100-149 beds	95	2.6	-0.3	-0.1	1.3	-0.2	0.0	2.2
150-199 beds	39	2.7	-0.2	0.0	1.0	-0.2	0.2	2.3
200 or more beds	39	2.7	-0.1	0.1	1.7	-0.2	0.0	2.3
Urban by Region:	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New England	112	2.9	0.1	-0.8	1.8	2.3	0.1	2.7
Middle Atlantic	305	2.9	0.0	0.6	0.3	-0.4	0.2	2.9
East North Central	381	2.9	0.0	0.1	-0.3	-0.3	0.0	2.5
West North Central	160	2.8	0.0	-0.5	-0.8	-0.3	0.6	2.0
South Atlantic	402	2.9	0.0	0.1	-0.5	-0.3	0.0	2.5
East South Central	144	2.9	0.0	0.0	-0.4	-0.3	0.0	2.4
West South Central	364	2.8	0.0	0.1	-0.6	-0.3	0.0	2.5
Mountain	172	2.8	-0.1	-0.5	-0.3	0.1	0.3	1.8
Pacific	372	2.8	0.1	-0.1	0.3	0.6	0.1	2.7
Puerto Rico	50	2.9	0.1	-0.9	-1.0	0.2	0.1	1.9
Rural by Region:	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New England	19	2.7	0.0	0.2	0.2	-0.2	0.0	2.4
Middle Atlantic	50	2.6	-0.2	0.2	1.2	-0.2	0.0	2.2
East North Central	114	2.5	-0.3	0.1	0.7	-0.1	0.0	2.2
West North Central	89	2.4	-0.4	0.0	0.0	-0.1	0.2	2.0

	Number of Hospitals ¹	Hospital Rate Update and Adjustment under MACRA (1) ²	FY 2021 Weights and DRG Changes with Application of Recalibration Budget Neutrality (2) ³	FY 2021 Wage Data with Application of Wage Budget Neutrality (3) ⁴	FY 2021 MGCRB Reclassifications (4) ⁵	Rural Floor with Application of National Rural Floor Budget Neutrality (5) ⁶	Application of the Frontier State Wage Index and Outmigration Adjustment (6) ⁷	All FY 2021 Changes (7) ⁸
South Atlantic	114	2.7	-0.2	0.0	1.3	-0.2	0.1	1.9
East South Central	144	2.8	-0.2	-0.1	1.8	-0.3	0.1	2.4
West South Central	136	2.7	-0.4	-0.1	2.0	-0.3	0.1	2.2
Mountain	49	2.3	-0.4	-0.2	0.0	-0.1	1.2	2.2
Pacific	24	2.5	-0.2	0.2	1.0	-0.1	0.0	2.1
By Payment Classification:	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Urban hospitals	2,050	2.9	0.0	0.0	-0.5	0.1	0.1	2.5
Rural areas	1,151	2.8	0.0	0.1	1.0	-0.2	0.1	2.5
Teaching Status:	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nonteaching	2,037	2.8	-0.2	0.0	0.0	0.1	0.1	2.2
Fewer than 100 residents	907	2.9	-0.1	0.0	0.1	0.0	0.2	2.5
100 or more residents	257	2.8	0.3	0.1	-0.1	-0.1	0.1	2.8
Urban DSH:	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-DSH	505	2.8	-0.2	0.1	-0.4	-0.2	0.2	2.2
100 or more beds	1,290	2.9	0.0	-0.1	-0.5	0.2	0.1	2.5
Less than 100 beds	351	2.9	-0.3	-0.1	-0.5	0.2	0.2	2.1
Rural DSH:	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SCH	259	2.4	-0.3	-0.1	0.1	-0.1	0.1	2.1
RRC	544	2.8	0.1	0.1	1.2	-0.2	0.1	2.6
100 or more beds	36	2.9	0.1	0.1	-0.2	-0.3	0.0	2.3
Less than 100 beds	216	2.7	-0.4	0.1	0.4	-0.1	0.2	2.2
Urban teaching and DSH:	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Both teaching and DSH	739	2.9	0.1	0.0	-0.5	0.1	0.1	2.6
Teaching and no DSH	74	2.9	-0.1	0.1	-0.4	-0.2	0.1	2.4
No teaching and DSH	902	2.9	-0.1	-0.1	-0.4	0.4	0.1	2.3
No teaching and no DSH	335	2.8	-0.4	0.1	-0.6	-0.2	0.2	2.2
Special Hospital Types:	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0
RRC	483	2.9	0.1	0.1	1.2	-0.2	0.2	2.6

	Number of Hospitals ¹	Hospital Rate Update and Adjustment under MACRA (1) ²	FY 2021 Weights and DRG Changes with Application of Recalibration Budget Neutrality (2) ³	FY 2021 Wage Data with Application of Wage Budget Neutrality (3) ⁴	FY 2021 MGCRB Reclassifications (4) ⁵	Rural Floor with Application of National Rural Floor Budget Neutrality (5) ⁶	Application of the Frontier State Wage Index and Outmigration Adjustment (6) ⁷	All FY 2021 Changes (7) ⁸
SCH	304	2.4	-0.2	-0.1	0.0	0.0	0.1	2.1
MDH	145	2.6	-0.4	0.0	-0.1	0.1	0.1	2.0
SCH and RRC	149	2.5	-0.2	-0.1	0.3	-0.1	0.0	2.1
MDH and RRC	25	2.6	-0.3	0.0	0.6	-0.1	0.0	2.3
Type of Ownership:	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Voluntary	1,885	2.8	0.0	0.0	0.0	0.0	0.1	2.5
Proprietary	827	2.9	-0.1	-0.1	0.0	0.0	0.1	2.4
Government	488	2.8	0.1	0.0	-0.2	0.0	0.0	2.5
Medicare Utilization as a Percent of Inpatient Days:	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0-25	641	2.8	0.1	0.2	-0.5	-0.1	0.0	2.6
25-50	2,114	2.8	0.0	0.0	0.1	0.0	0.1	2.5
50-65	373	2.7	-0.2	0.0	0.4	0.4	0.2	2.2
Over 65	49	2.8	-0.7	-0.2	-0.9	-0.3	0.1	1.7
FY 2021 Reclassifications:	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0
All Reclassified Hospitals	901	2.8	0.0	0.1	1.5	-0.2	0.1	2.6
Non-Reclassified Hospitals	2,300	2.8	0.0	-0.1	-0.9	0.1	0.1	2.4
Urban Hospitals Reclassified	722	2.8	0.0	0.1	1.3	-0.2	0.1	2.6
Urban Non-Reclassified Hospitals	1,752	2.9	0.0	-0.1	-1.0	0.1	0.1	2.4
Rural Hospitals Reclassified Full Year	309	2.6	-0.2	0.0	1.9	-0.2	0.1	2.2
Rural Non-Reclassified Hospitals Full Year	418	2.6	-0.3	0.0	-0.4	-0.2	0.2	2.1
All Section 401 Reclassified Hospitals	466	2.8	0.1	0.1	1.0	-0.2	0.1	2.6

	Number of Hospitals¹	Hospital Rate Update and Adjustment under MACRA (1)²	FY 2021 Weights and DRG Changes with Application of Recalibration Budget Neutrality (2)³	FY 2021 Wage Data with Application of Wage Budget Neutrality (3)⁴	FY 2021 MGCRB Reclassifications (4)⁵	Rural Floor with Application of National Rural Floor Budget Neutrality (5)⁶	Application of the Frontier State Wage Index and Outmigration Adjustment (6)⁷	All FY 2021 Changes (7)⁸
Other Reclassified Hospitals (Section 1886(d)(8)(B))	54	2.7	-0.3	0.2	2.2	-0.3	0.0	2.1

¹ Because data necessary to classify some hospitals by category were missing, the total number of hospitals in each category may not equal the national total. Discharge data are from FY 2019, and hospital cost report data are from reporting periods beginning in FY 2018 and FY 2017.

² This column displays the payment impact of the hospital rate update and other adjustments, including the 2.4 percent update to the national standardized amount and the hospital-specific rate (the estimated 2.4 percent market basket update with the 0.0 percentage point multifactor productivity adjustment), and the 0.5 percentage point adjustment to the national standardized amount required under section 414 of the MACRA.

³ This column displays the payment impact of the changes to the Version 38 GROUPER, the changes to the relative weights and the recalibration of the MS-DRG weights based on FY 2019 MedPAR data in accordance with section 1886(d)(4)(C)(iii) of the Act. This column displays the application of the recalibration budget neutrality factor of 0.997975 in accordance with section 1886(d)(4)(C)(iii) of the Act.

⁴ This column displays the payment impact of the update to wage index data using FY 2017 cost report data and the OMB labor market area delineations based on 2010 Decennial Census data. This column displays the payment impact of the application of the wage budget neutrality factor, which is calculated separately from the recalibration budget neutrality factor, and is calculated in accordance with section 1886(d)(3)(E)(i) of the Act. The wage budget neutrality factor is 1.000447.

⁵ Shown here are the effects of geographic reclassifications by the Medicare Geographic Classification Review Board (MGCRB). The effects demonstrate the FY 2021 payment impact of going from no reclassifications to the reclassifications scheduled to be in effect for FY 2021. Reclassification for prior years has no bearing on the payment impacts shown here. This column reflects the geographic reclassification budget neutrality factor of 0.986616.

⁶ This column displays the effects of the rural floor. The Affordable Care Act requires the rural floor budget neutrality adjustment to be a 100 percent national level adjustment. The rural floor budget neutrality factor applied to the wage index is 0.993446.

⁷ This column shows the combined impact of the policy required under section 10324 of the Affordable Care Act that hospitals located in frontier States have a wage index no less than 1.0 and of section 1886(d)(13) of the Act, as added by section 505 of Pub. L. 108-173, which provides for an increase in a hospital's wage index if a threshold percentage of residents of the county where the hospital is located commute to work at hospitals in counties with higher wage indexes. These are not budget neutral policies.

⁸ This column shows the estimated change in payments from FY 2020 to FY 2021 including an estimated decrease in outlier payments of 0.2 percent (from our current estimate of FY 2020 outlier payments of approximately 5.3 percent to 5.1 percent projected for FY 2021 based on the FY 2019 MedPAR data used for this final rule calculated for purposes of this impact analysis). This column also includes the effects of the adoption of the revised labor market area delineations in OMB Bulletin 18-04 and the effects of the transition to apply a 5-percent cap on any decrease in a hospital's wage index from the hospital's final wage index from the prior fiscal year.

5. On page 59070:

a. First column:

(1) Third full paragraph:

(a) Line 1, the reference, “section II.E.” is corrected to read “section II.D.”.

(b) Line 11, the section reference “II.G.” is corrected to read “II.E.”.

(2) Fourth full paragraph, line 6, the figure “0.99798” is corrected to read “0.997975”.

b. Third column, first full paragraph, line 26, the figure “1.000426” is corrected to read “1.000447”.

6. On page 59071, lower half of the page:

a. First column, third full paragraph, line 6, the figure “0.986583” is corrected to read “0.986616”.

b. Second column, second full paragraph, line 5, the figure “0.993433” is corrected to read “0.993446”.

c. Third column, first partial paragraph, line 2, the figure “0.993433” is corrected to read “0.993446”.

7. On page 59073 and 59074, the table titled “TABLE II.--IMPACT ANALYSIS OF CHANGES FOR FY 2021 ACUTE CARE HOSPITAL OPERATING PROSPECTIVE PAYMENT SYSTEM (PAYMENTS PER DISCHARGE)” is corrected to read as follows:

TABLE II.--IMPACT ANALYSIS OF CHANGES FOR FY 2021 ACUTE CARE HOSPITAL OPERATING PROSPECTIVE PAYMENT SYSTEM (PAYMENTS PER DISCHARGE)

	Number of Hospitals (1)	Estimated Average FY 2020 Payment Per Discharge (2)	Estimated Average FY 2021 Payment Per Discharge (3)	FY 2021 Changes (4)
All Hospitals	3,201	13,494	13,829	2.5
By Geographic Location:				
Urban hospitals	2,462	13,865	14,213	2.5
Rural hospitals	739	10,053	10,269	2.2
Bed Size (Urban):				

	Number of Hospitals (1)	Estimated Average FY 2020 Payment Per Discharge (2)	Estimated Average FY 2021 Payment Per Discharge (3)	FY 2021 Changes (4)
0-99 beds	635	10,958	11,176	2
100-199 beds	756	11,334	11,612	2.4
200-299 beds	426	12,598	12,907	2.5
300-499 beds	422	13,914	14,252	2.4
500 or more beds	223	17,120	17,582	2.7
Bed Size (Rural):				
0-49 beds	312	8,847	9,020	2
50-99 beds	254	9,566	9,768	2.1
100-149 beds	95	9,871	10,087	2.2
150-199 beds	39	10,697	10,939	2.3
200 or more beds	39	11,560	11,819	2.3
Urban by Region:				
New England	112	14,860	15,264	2.7
Middle Atlantic	305	15,700	16,148	2.9
East North Central	381	13,004	13,325	2.5
West North Central	160	13,378	13,641	2
South Atlantic	402	12,319	12,627	2.5
East South Central	144	11,764	12,043	2.4
West South Central	364	12,948	13,267	2.5
Mountain	172	14,077	14,327	1.8
Pacific	372	17,290	17,760	2.7
Puerto Rico	50	11,902	12,122	1.9
Rural by Region:				
New England	19	13,953	14,292	2.4
Middle Atlantic	50	9,734	9,951	2.2
East North Central	114	10,344	10,569	2.2
West North Central	89	10,525	10,732	2
South Atlantic	114	9,449	9,633	1.9
East South Central	144	8,976	9,187	2.4
West South Central	136	8,764	8,954	2.2
Mountain	49	12,065	12,325	2.2
Pacific	24	13,562	13,853	2.1
By Payment Classification:				
Urban hospitals	2,050	13,490	13,826	2.5
Rural areas	1,151	13,502	13,836	2.5
Teaching Status:				
Nonteaching	2,037	10,953	11,198	2.2
Fewer than 100 residents	907	12,702	13,016	2.5
100 or more residents	257	19,663	20,204	2.8
Urban DSH:				
Non-DSH	505	11,498	11,750	2.2
100 or more beds	1,290	13,965	14,317	2.5
Less than 100 beds	351	10,158	10,367	2.1
Rural DSH:				
SCH	259	11,061	11,293	2.1
RRC	544	14,123	14,485	2.6
100 or more beds	36	13,473	13,785	2.3
Less than 100 beds	216	8,310	8,495	2.2
Urban teaching and DSH:				
Both teaching and DSH	739	15,169	15,562	2.6
Teaching and no DSH	74	12,368	12,670	2.4
No teaching and DSH	902	11,346	11,608	2.3

	Number of Hospitals (1)	Estimated Average FY 2020 Payment Per Discharge (2)	Estimated Average FY 2021 Payment Per Discharge (3)	FY 2021 Changes (4)
No teaching and no DSH	335	10,658	10,892	2.2
Special Hospital Types:				
RRC	483	14,208	14,575	2.6
SCH	304	11,995	12,250	2.1
MDH	145	9,086	9,272	2
SCH and RRC	149	12,353	12,616	2.1
MDH and RRC	25	10,426	10,666	2.3
Type of Ownership:				
Voluntary	1,885	13,536	13,874	2.5
Proprietary	827	11,834	12,118	2.4
Government	488	15,496	15,882	2.5
Medicare Utilization as a Percent of Inpatient Days:				
0-25	641	16,600	17,028	2.6
25-50	2,114	13,136	13,462	2.5
50-65	373	10,711	10,948	2.2
Over 65	49	7,899	8,035	1.7
FY 2021 Reclassifications by the Medicare Geographic Classification Review Board:				
All Reclassified Hospitals	901	13,544	13,899	2.6
Non-Reclassified Hospitals	2,300	13,465	13,788	2.4
Urban Hospitals Reclassified	722	14,256	14,633	2.6
Urban Nonreclassified Hospitals	1,752	13,611	13,940	2.4
Rural Hospitals Reclassified Full Year	309	10,230	10,454	2.2
Rural Nonreclassified Hospitals Full Year	418	9,786	9,991	2.1
All Section 401 Reclassified Hospitals:	466	14,740	15,117	2.6
Other Reclassified Hospitals (Section 1886(d)(8)(B))	54	9,430	9,628	2.1

8. On page 59074, bottom of the page, second column, last partial paragraph, line 1, the reference “section II.G.9.b.” is corrected to read “section II.F.9.b.”.

9. On page 59075:

a. First column:

(1) First full paragraph, line 1, the reference “section II.G.9.c.” is corrected to read “section II.F.9.c.”.

(2) Last partial paragraph:

(i) Line 1, the reference “section II.G.4.” is corrected to read “section II.F.4.”.

(ii) Line 11, the reference “section II.G.4.” is corrected to read “section II.F.4.”.

b. Third column:

(1) First full paragraph:

(i) Line 1, the reference “sections II.G.5. and 6.” is corrected to read “sections II.F.5. and 6.”.

(ii) Line 12, the reference “section II.H.6.” is corrected to read “section II.F.6.”.

(2) Last paragraph, line 1, the reference “section II.G.6.” is corrected to read “section II.F.6.”.

10. On page 59076, first column, first partial paragraph, lines 2 and 3, the reference “section II.G.9.c.” is corrected to read “section II.F.9.c.”.

11. On pages 59077 and 59078 the table titled “Modeled Uncompensated Care Payments for Estimated FY 2021 DSHs by Hospital Type: Uncompensated Care Payments (\$ in Millions) - from FY 2020 to FY 2021” is corrected to read as follows:

Modeled Uncompensated Care Payments for Estimated FY 2021 DSHs by Hospital Type: Uncompensated Care Payments (\$ in Millions)* - from FY 2020 to FY 2021					
	Number of Estimated DSHs (1)	FY 2020 Final Rule Estimated Uncompensated Care Payments (\$ in millions) (2)	FY 2021 Final Rule Estimated Uncompensated Care Payments (\$ in millions) (3)	Dollar Difference: FY 2020 - FY 2021 (\$ in millions) (4)	Percent Change** (5)
Total	2,389	\$8,351	\$8,290	-\$61	-0.73%
By Geographic Location					
Urban Hospitals	1,911	7,826	7,803	-23	-0.29
Large Urban Areas	991	4,793	4,829	36	0.75
Other Urban Areas	920	3,033	2,974	-59	-1.94
Rural Hospitals	478	525	487	-38	-7.19
Bed Size (Urban)					
0 to 99 Beds	322	282	290	7	2.61
100 to 249 Beds	830	1,920	1,900	-20	-1.05
250+ Beds	759	5,624	5,614	-10	-0.18
Bed Size (Rural)					
0 to 99 Beds	365	297	269	-28	-9.46
100 to 249 Beds	100	180	167	-13	-7.44
250+ Beds	13	48	52	4	7.64
Urban by Region					
New England	93	251	227	-24	-9.51
Middle Atlantic	235	1,055	983	-72	-6.87
South Atlantic	316	824	864	40	4.81
East North Central	100	381	405	23	6.09
East South Central	312	1,973	2,027	54	2.74
West North Central	127	495	498	3	0.53
West South Central	244	1,701	1,637	-64	-3.77
Mountain	126	373	333	-40	-10.64
Pacific	317	663	723	60	9.02

Modeled Uncompensated Care Payments for Estimated FY 2021 DSHs by Hospital Type: Uncompensated Care Payments (\$ in Millions)* - from FY 2020 to FY 2021					
	Number of Estimated DSHs (1)	FY 2020 Final Rule Estimated Uncompensated Care Payments (\$ in millions) (2)	FY 2021 Final Rule Estimated Uncompensated Care Payments (\$ in millions) (3)	Dollar Difference: FY 2020 - FY 2021 (\$ in millions) (4)	Percent Change** (5)
Puerto Rico	41	109	107	-2	-1.99
Rural by Region					
New England	8	17	15	-2	-9.17
Middle Atlantic	22	20	15	-5	-25.26
South Atlantic	67	61	58	-3	-4.49
East North Central	30	32	31	-2	-5.27
East South Central	87	141	135	-6	-4.23
West North Central	122	109	102	-6	-5.58
West South Central	109	116	105	-11	-9.69
Mountain	27	23	19	-4	-17.12
Pacific	6	6	7	1	9.14
By Payment Classification					
Urban Hospitals	1,574	6,098	6,109	11	0.18
Large Urban Areas	874	3,956	4,001	45	1.15
Other Urban Areas	700	2,142	2,108	-34	-1.60
Rural Hospitals	815	2,253	2,181	-72	-3.18
Teaching Status					
Nonteaching	1,387	2,469	2,444	-24	-0.99
Fewer than 100 residents	748	2,872	2,848	-24	-0.83
100 or more residents	254	3,010	2,998	-12	-0.41
Type of Ownership					
Voluntary	1,436	4,557	4,556	-1	-0.03
Proprietary	575	1,247	1,217	-30	-2.42
Government	378	2,546	2,517	-29	-1.14
Medicare Utilization Percent***					
0 to 25	548	3,399	3,387	-12	-0.37
25 to 50	1,622	4,745	4,705	-40	-0.84
50 to 65	198	201	193	-8	-4.12
Greater than 65	20	5	6	0	0.80

12. On pages 59078 and 59079 in the section titled “Effects of the Changes to Uncompensated Care Payments for FY 2021”, the section’s language (beginning with the phrase “Rural hospitals, in general, are projected to experience” and ending with the sentence “Hospitals with greater than 65 percent Medicare utilization are projected to receive an increase of 0.62 percent.”) is corrected to read as follows: “Rural hospitals, in general, are projected to experience larger decreases in uncompensated care payments than their urban counterparts. Overall, rural hospitals are projected to receive a 7.19 percent decrease in uncompensated care payments, while urban hospitals are projected to receive a 0.29 percent decrease in

uncompensated care payments. However, hospitals in large urban areas are projected to receive a 0.75 percent increase in uncompensated care payments and hospitals in other urban areas a 1.94 percent decrease.

By bed size, smaller rural hospitals are projected to receive the largest decreases in uncompensated care payments. Rural hospitals with 0–99 beds are projected to receive a 9.46 percent payment decrease, and rural hospitals with 100–249 beds are projected to receive a 7.44 percent decrease. These decreases for smaller rural hospitals are greater than the overall hospital average. However, larger rural hospitals with 250+ beds are projected to receive a 7.64 percent payment increase. In contrast, the smallest urban hospitals (0–99 beds) are projected to receive an increase in uncompensated care payments of 2.61 percent, while urban hospitals with 100–249 beds are projected to receive a decrease of 1.05 percent, and larger urban hospitals with 250+ beds are projected to receive a 0.18 percent decrease in uncompensated care payments, which is less than the overall hospital average.

By region, rural hospitals are expected to receive larger than average decreases in uncompensated care payments in all Regions, except for rural hospitals in the Pacific Region, which are projected to receive an increase in uncompensated care payments of 9.14 percent. Urban hospitals are projected to receive a more varied range of payment changes. Urban hospitals in the New England, the Middle Atlantic, West South Central, and Mountain Regions, as well as urban hospitals in Puerto Rico, are projected to receive larger than average decreases in uncompensated care payments, while urban hospitals in the South Atlantic, East North Central, East South Central, West North Central, and Pacific Regions are projected to receive increases in uncompensated care payments.

By payment classification, hospitals in urban areas overall are expected to receive a 0.18 percent increase in uncompensated care payments, with hospitals in large urban areas expected to see an increase in uncompensated care payments of 1.15 percent, while hospitals in other urban

areas are expected to receive a decrease of 1.60 percent. In contrast, hospitals in rural areas are projected to receive a decrease in uncompensated care payments of 3.18 percent.

Nonteaching hospitals are projected to receive a payment decrease of 0.99 percent, teaching hospitals with fewer than 100 residents are projected to receive a payment decrease of 0.83 percent, and teaching hospitals with 100+ residents have a projected payment decrease of 0.41 percent. All of these decreases are consistent with the overall hospital average. Proprietary and government hospitals are projected to receive larger than average decreases of 2.42 and 1.14 percent respectively, while voluntary hospitals are expected to receive a payment decrease of 0.03 percent. Hospitals with less than 50 percent Medicare utilization are projected to receive decreases in uncompensated care payments consistent with the overall hospital average percent change, while hospitals with 50 to 65 percent Medicare utilization are projected to receive a larger than average decrease of 4.12 percent. Hospitals with greater than 65 percent Medicare utilization are projected to receive an increase of 0.80 percent.”

13. On page 59085, lower half of the page, second column, last partial paragraph, line 20, the section reference “II.H.” is corrected to read “IV.H.”.

14. On pages 59092 and 59093, the table titled “TABLE III.-COMPARISON OF TOTAL PAYMENTS PER CASE [FY 2020 PAYMENTS COMPARED TO FINAL FY 2021 PAYMENTS] is corrected to read as:

TABLE III.—COMPARISON OF TOTAL PAYMENTS PER CASE [FY 2020 PAYMENTS COMPARED TO FINAL FY 2021 PAYMENTS]				
	Number of hospitals	Average FY 2020 payments/ case	Final Average FY 2021 payments/ case	Change
All hospitals	3,201	976	979	0.3
By Geographic Location:				
Urban Hospitals	2,462	1,009	1,012	0.3
Rural areas	739	667	671	0.6
Bed Size (Urban)				
0-99 beds	635	813	814	0.1
100-199 beds	756	855	858	0.4
200-299 beds	426	932	935	0.3
300-499 beds	422	1,012	1,014	0.2
500 or more beds	223	1,211	1,215	0.3
Bed Size (Rural)				
0-49 beds	312	567	570	0.5

TABLE III.—COMPARISON OF TOTAL PAYMENTS PER CASE
[FY 2020 PAYMENTS COMPARED TO FINAL FY 2021 PAYMENTS]

	Number of hospitals	Average FY 2020 payments/ case	Final Average FY 2021 payments/ case	Change
50-99 beds	254	622	624	0.3
100-149 beds	95	661	664	0.5
150-199 beds	39	725	731	0.8
200 or more beds	39	787	793	0.8
By Region:				
Urban by Region				
New England	112	1,090	1,101	1.0
Middle Atlantic	305	1,113	1,121	0.7
South Atlantic	402	887	886	-0.1
East North Central	381	962	962	0.0
East South Central	144	857	862	0.6
West North Central	160	995	992	-0.3
West South Central	364	923	929	0.7
Mountain	172	1,032	1,024	-0.8
Pacific	372	1,293	1,303	0.8
Rural by Region				
New England	19	928	935	0.8
Middle Atlantic	50	643	647	0.6
South Atlantic	114	620	620	0.0
East North Central	114	668	677	1.3
East South Central	144	626	629	0.5
West North Central	89	697	698	0.1
West South Central	136	597	599	0.3
Mountain	49	758	762	0.5
Pacific	24	862	872	1.2
By Payment Classification:				
Urban hospitals	2,050	998	1,005	0.7
Rural areas	1,151	933	929	-0.4
Teaching Status:				
Non-teaching	2,037	819	820	0.1
Fewer than 100 Residents	907	931	934	0.3
100 or more Residents	257	1,349	1,356	0.5
Urban DSH:				
Non-DSH	505	901	902	0.1
100 or more beds	1,290	1,025	1,033	0.8
Less than 100 beds	351	739	741	0.3
Rural DSH:				
Sole Community (SCH/EACH)	259	687	690	0.4
Referral Center (RRC/EACH)	544	980	976	-0.4
100 or more beds	36	979	949	-3.1
Less than 100 beds	216	556	559	0.5
Urban teaching and DSH:				
Both teaching and DSH	739	1,092	1,102	0.9
Teaching and no DSH	74	951	957	0.6
No teaching and DSH	902	868	872	0.5
No teaching and no DSH	335	870	871	0.1
Special Hospital Types:				
Non special status hospitals	168	851	834	-2.0
RRC/EACH	483	1,010	1,005	-0.5
SCH/EACH	304	758	761	0.4
Medicare-dependent hospitals (MDH)	145	593	593	0.0
SCH, RRC and EACH	149	799	803	0.5
MDH, RRC and EACH	25	664	664	0.0
Type of Ownership:				
Voluntary	1,885	988	990	0.2
Proprietary	827	886	889	0.3
Government	488	1,029	1,034	0.5
Medicare Utilization as a Percent of Inpatient Days:				
0-25	641	1,115	1,119	0.4
25-50	2,114	966	969	0.3

TABLE III.—COMPARISON OF TOTAL PAYMENTS PER CASE
[FY 2020 PAYMENTS COMPARED TO FINAL FY 2021 PAYMENTS]

	Number of hospitals	Average FY 2020 payments/case	Final Average FY 2021 payments/case	Change
50-65	373	794	796	0.3
Over 65	49	594	593	-0.2
2021 Reclassifications by the Medicare Classification Review Board:				
All Reclassified Hospitals	901	957	956	-0.1
All Nonreclassified Hospitals	2,300	987	992	0.5
Urban Hospitals Reclassified	722	1,013	1,010	-0.3
Urban Nonreclassified Hospitals	1,752	1,005	1,012	0.7
Rural Hospitals Reclassified Full Year	309	687	691	0.6
Rural Nonreclassified Hospitals Full Year	418	637	640	0.5
All Section 401 Reclassified Hospitals	466	1,030	1,022	-0.8
Other Reclassified Hospitals (Section 1886(d)(8)(B))	54	657	660	0.5

Wilma M. Robinson,

Deputy Executive Secretary to the

Department,

Department of Health and Human Services.

[FR Doc. 2020-26698 Filed: 12/1/2020 4:15 pm; Publication Date: 12/7/2020]